



**CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE**

November 23, 1999

S. 574

An act to direct the Secretary of the Interior to make corrections to a map relating to the Coastal Barrier Resources System

As cleared by the Congress on November 18, 1999

CBO estimates that enacting S. 574 would affect direct spending, but we expect that the net effect would be negligible. S. 574 would direct the Secretary of the Interior to correct the map of the Cape Henlopen Unit of the Coastal Barrier Resources System. The proposed correction would revise the boundary of this unit to include an additional 245 acres of state park lands and exclude about 32 acres of developed property. This change would provide additional environmental protection for the state park and would enable local property owners occupying the excluded acreage to obtain federal flood insurance. Once insurance policies have been written on the affected property, offsetting collections from premiums paid into the national flood insurance fund would increase by less than \$50,000 per year. Collections would be partially offset by new mandatory spending for underwriting and administrative expenses. The federal government might also incur additional costs for losses associated with any future floods that might affect this land, but CBO has no basis for predicting such floods or their resulting costs.

The CBO staff contact is Deborah Reis. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.